COASTAL CONSERVANCY

Staff Recommendation November 10, 2011

COLORADO LAGOON RESTORATION DREDGING OF CONTAMINATED SEDIMENTS

File No. 07-032-02 Project Manager: Christopher Kroll

RECOMMENDED ACTION: Augmentation of the Conservancy's January 20, 2011 authorization to the City of Long Beach by up to \$300,000 for dredging, treatment, and disposal of contaminated sediments from Colorado Lagoon in Long Beach.

LOCATION: City of Long Beach, Los Angeles County

PROGRAM CATEGORY: Resource Enhancement

EXHIBITS

Exhibit 1: January 20, 2011 Staff Recommendation

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31251-31270 of the Public Resources Code:

"The State Coastal Conservancy hereby authorizes the augmentation of the Conservancy's January 20, 2011 authorization to the City of Long Beach of an amount not to exceed three hundred thousand (\$300,000) for the dredging, treatment and disposal of contaminated sediments at Colorado Lagoon.

This authorization is subject to all of the conditions specified in the Conservancy's original authorization for this project on January 20, 2011 (Exhibit 1)."

Staff further recommends that the Conservancy adopt the following findings:

"Based on the accompanying staff report and attached exhibits, the State Coastal Conservancy hereby finds that:

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- 1. The proposed project remains consistent with Chapter 6 of the Public Resources Code (Sections 31251-31270), regarding the enhancement of coastal resources.
- 2. The proposed project remains consistent with the current Project Selection Criteria and Guidelines."

PROJECT SUMMARY:

Staff is recommending that the Conservancy augment the amount of Conservancy funding for the Colorado Lagoon West Arm dredging project by an additional \$300,000, increasing the total amount of the grant to \$990,997.

On January 20, 2011, the Conservancy authorized a grant of up to \$690,997 to the City of Long Beach (City) for the dredging, treatment and disposal of contaminated sediments from the West Arm of Colorado Lagoon. The dredging is part of a larger restoration project for the lagoon. The source of the grant was funds provided to the Conservancy by the National Oceanic and Atmospheric Administration (NOAA) for projects on the Southern California Wetlands Recovery Project Work Plan. Except for changes in the funding of the project, this project is identical to the one described and authorized in the January 20 staff recommendation.

In June 2011, the U.S. Army Corps of Engineers (Corps) notified the City that the Corps grant funds (\$1,000,000) awarded to the project in 2006 cannot now be used for the dredging of the lagoon due to the presence of lead in the sediment. The Corps informed the City that as lead is a substance listed in the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) it qualifies as a hazardous toxic and radioactive waste (HTRW) and no Corps funds can be used to resolve HTRW issues. The Corps has informed the City that the Corps funding must be used for another part of the lagoon restoration project not related in any way to dredging of the lagoon.

This decision by the Corps has removed \$1,000,000 from the project's West Arm dredging budget. Expecting that these funds would be available for the project, the City conducted a bidding process and selected a contractor. The City also secured approval from the Port of Long Beach for the Port to receive the treated sediment but with the proviso that all transfer of sediment to the receiver site be completed by June 30, 2012. In order to meet this schedule, the dredging project must commence soon as planned by the City or the City risks missing the June 30, 2012 cutoff date. The alternative, trucking the dredged material to an inland disposal site, would significantly increase the project costs.

The City, therefore, has requested that the Conservancy help close this gap in funding to allow the project to begin on schedule. The City will provide \$700,000 and has asked that the Conservancy provide the remaining \$300,000. Augmenting the funding for this project would resolve the current shortfall in funding for the dredging component of the lagoon restoration project and allow the City to begin and complete the dredging project within the timeframe dictated by the availability of the Port's receiver site.

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PROJECT FINANCING:

West Arm Dredging -

Coastal Conservancy	\$ 990,997
State Water Resources Control Board	1,800,000
City of Long Beach	700,000
Rivers & Mountains Conservancy	1,100,000

TOTAL \$4,590,997

The anticipated source of Conservancy funds for this augmentation is an appropriation to the Conservancy from the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 (Proposition 50). Proposition 50 authorizes the use of these funds for the purpose of protecting coastal watersheds through projects undertaken pursuant to the Conservancy's enabling legislation (Division 21 of the Public Resources Code) to acquire, restore or protect water and land resources (Water Code Section 79570). The proposed project will result in protection and restoration of the land and water resources of Colorado Lagoon which is located in a coastal watershed. The project is also consistent with the Conservancy's enabling legislation, as discussed in Exhibit 1.

Proposition 50 also requires that any watershed protection activities financed with Proposition 50 funds must be consistent with "the applicable adopted local watershed management plan and the applicable regional water quality control plan adopted by the regional water quality control board" (Water Code Section 79507) and, for projects in the San Gabriel and Los Angeles river watersheds, the project must be consistent with the San Gabriel and Los Angeles River Watershed and Open Space Plan (Water Code Section 79508).

Colorado Lagoon has been designated as an "impaired water body" consistent with Section 303(d) of the Clean Water Act by the Los Angeles Regional Water Quality Control Board. The Phase I restoration project, of which the West Arm dredging is a part, will address all of the urban runoff issues which have led to the pollution of the lagoon and is consistent with the Water Quality Control Plan for the Los Angeles Region (Basin Plan for Coastal Watersheds of Los Angeles and Ventura Counties) adopted on June 13, 1994 by the Los Angeles Regional Water Quality Board in that it will result in improvement in the currently impacted beneficial uses: contact and noncontact water recreation, marine habitat, and habitat for rare and endangered species. It will also aid in the attainment of regional objectives for inland surface waters identified in the Basin Plan, particularly those objectives identified for coliform bacteria and toxic pollutants.

The proposed project, in that it will result in environmental restoration of Colorado Lagoon, is consistent with the San Gabriel and Los Angeles Rivers Watershed and Open Space Plan (Common Ground) adopted by the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy in October 2001.

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Specifically the Phase I project is consistent with the following Guiding Principles of the plan: 1) accommodate active and passive recreational uses; 2) incorporate passive and low-impact recreational facilities in habitat areas; 3) protect existing high-quality habitat and ecologically significant areas; 4) restore and enhance aquatic and terrestrial riparian and upland habitat; 5) reduce the volume and velocity of storm water runoff where feasible; and 6) reduce dry weather urban runoff discharge into waterways and the ocean.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION, 2007 STRATEGIC PLAN GOAL(S) & OBJECTIVES, PROJECT SELECTIONCRITERIA & GUIDELINES, LOCAL COASTAL PROGRAM POLICIES:

The proposed action remains consistent with the project analyzed in the Conservancy's January 20, 2011 action; see Exhibit 1.

COMPLIANCE WITH CEQA:

The proposed authorization is for additional funding. The project and the surrounding circumstances have not changed since the Conservancy's January 20, 2011 action (Exhibit 1). As a result, the proposed authorization is consistent with the Conservancy's January 20, 2011 findings regarding compliance with the California Environmental Quality Act.